Earle C. Cooley COOLEY, MANION, MOORE & JONES, P.C. 111 21 Custom House Street Boston, Massachusetts 02110 211 (617) 737-3100 William T. Drescher 23679 Calabasas Road, Suite 338 4|| Suite 338 Calabasas, California 91302 5 (818) 591-0039 RECEIVED 611 Attorneys for Defendants AUG 29 1991 CHURCH OF SPIRITUAL TECHNOLOGY and RELIGIOUS TECHNOLOGY CENTER HUB LAW OFFICES 8|| Eric Lieberman RABINOWITZ, BOUDIN, STANDARD, KRINSKY & LIEBERMAN, P.C. 740 Broadway at Astor Place 10|| New York, New York 10003-9518 (212) 254-1111 11 John J. Quinn 12 QUINN, KULLY & MORROW 520 S. Grand Ave., 8th Floor Michael Lee Hertzberg 740 Broadway, Fifth Floor New York, New York 10003 Los Angeles, CA 90071 (213) 622-0300 (212) 982-9870 14 Laurie J. Bartilson 15 BOWLES & MOXON James H. Berry, Jr. 6255 Sunset Blvd., BERRY & CAHALAN 16|| Suite 2000 2049 Century Park East Los Angeles, CA 90028 Suite 2750 (213) 661-4030 Los Angeles, CA 90067 (213) 284-212618 Attorneys for Defendant CHURCH OF SCIENTOLOGY Attorneys for Defendant 19|| INTERNATIONAL AUTHOR SERVICES, INC. 20 UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA 21) CASE No. CV 88-1786 JMI(Ex) VICKI J. AZNARAN and 22 RICHARD N. AZNARAN,)) EXHIBITS IN SUPPORT OF DEFENDANTS' Plaintiffs,) REPLIES IN SUPPORT OF DEFENDANTS' 23) MOTIONS FOR SUMMARY JUDGMENT ON v.) THE BASIS OF THE FIRST AMENDMENT 24 CHURCH OF SCIENTOLOGY OF) AND STATUTE OF LIMITATIONS) (VOLUME 4) 25 CALIFORNIA, et al., Defendants.) DATE: September 9, 1991 26) TIME: 10:00 A.M.) COURTROOM: Hon. James M. Ideman AND RELATED COUNTERCLAIM 28

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- 1. I am co-counsel of record for plaintiffs in the case of Aznaran v. Church of Scientology of California, et al., Case No. CV 88-1786 JMI(Ex). I have personal knowledge of the matters set forth herein and, if called upon to do so, could and would competently testify thereto.
- 2. On August 19, 1991, I called the offices of Ford

 Greene, counsel for plaintiffs in this case, to arrange to have
 a courier pick up several oppositions which plaintiffs were due
 to file that day.
- 3. The person who answered the telephone in Mr. Greene's office identified himself as Gerald Armstrong. When queried, Armstrong stated that he was at Greene's office "helping out." I recognized that Armstrong was a person who has been a long-term litigation adversary of my client, Church of Scientology of California, having been sued for conversion of documents belonging to the Church's Founder. I am also familiar with Armstrong because I have previously attended his deposition.
- 4. Exhibit 1 to the Reply in Support of Defendants'
 Motion for Summary Judgment is a true and correct copy of
 a transcript of an August 6, 1991 hearing in the case of
 Religious Technology Center, et al. v. Yanny, Case No. BC
 033035.

I declare under the penalties of perjury under the laws of California and the United States of America that the foregoing

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is true and correct.

Executed this day of August at Los Angeles, California.

LAURIE J. BARTILSON

- 1. I am the President of Religious Technology Center ("RTC"). RTC is a church of Scientology which owns the trade and service marks of Dianetics and Scientology. As such, RTC has the responsibility of ensuring that the nature and quality of the services and products associated with the religion of Scientology and with its technologies of spiritual counselling, ethics and administration are properly applied in accordance with the standards set forth by the Founder of the Religion, L. Ron Hubbard. I have personal knowledge of the facts set forth below, and if called upon to do so, I could and would competently testify thereto.
- 2. In addition to my corporate position as President of RTC, I also hold the ecclesiastical position of Inspector General for Ethics. This is a very senior position within the ecclesiastical hierarchy of Scientology. As Inspector General for Ethics, I am ultimately responsible for the standard application of ethics technology throughout the religion of Scientology. By "standard" is meant a definite level or degree of quality that is proper and adequate for a specific purpose. In order to fulfill this responsibility, I have studied virtually everything L. Ron Hubbard wrote or said on the subject of Scientology ethics and justice and have many years of practical experience in its application.
- 3. I am familiar with the above referenced litigation and with the motion and supporting declarations filed by the Aznarans in their attempt to persuade this court to toll the

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statute of limitations because of the Aznaran's self serving statements that they lived in fear of being declared "suppressive persons and thus become fair game".

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Vicki Aznaran is well aware that illegal acts of any kind are antithetical to Scientology policies and practices. In 1981 and 1982 she participated in an evolution to purge the Church of those few Guardian's Office personnel who had participated, during the mid 1970's, in illegal acts or who had knowledge of illegal acts and did nothing to report or correct She was directly involved in isolating these individuals them. and removing them from Church employment. She also participated in the dissolution of the Guardian's Office and the set up and management of what became the Office of Special Affairs, that unit within the Church which is charged with the responsibility of dealing with external attacks on the religion. From her position and experience she was well aware that the leadership of the Church, including Mr. David Miscavige, would not tolerate illegal acts being committed in the name of Scientology. She was well aware that Mr. Miscavige was the catalyst behind the purge of the Guardian's Office. In fact, Vicki Aznaran testified in deposition in the instant case that her attempt to later recruit former Guardian's Office staff landed her in trouble with Mr. Miscavige.

5. From late 1983 through March 1986 Vicki Aznaran occupied one of the highest ecclesiastical positions in Scientology as Deputry Inspector General and then Inspector General of Religious Technology Center. From this position she

participated in the defense of Scientology from a plethora of cookie cutter type "emotional distress" type damages suits that had been brought by apostate ex-Scientologists represented by Boston-based personal injury attorney Michael J. Flynn. I personally attended numerous attorney conferences and other high level meetings of Church executives along with Vicki Aznaran in which the topics of discussion were the defense of "fair game" allegations, which were designed to poison courts and juries; and the claimed ignorance of Scientology as a religion on the part of plaintiffs in order to overcome the Church's First Amendment defenses. She was well aware that it was extremely difficult to defend against such allegations when plaintiffs swore falsely in declarations; that judges and juries were prone to believe out-of-context quotes from Scientology scriptures and to accept "state of mind" testimony. Indeed she was intimately familiar with two heresy trials that resulted in multi-million dollar verdicts for the plaintiffs - engendered by such emotional and inflammatory tactics - but which were ultimately overturned because they had no basis in fact and no basis in law.

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5. Vicki participated in numerous meetings in which Church staff and counsel grappled with responding to false allegations of "fair game", knowing that such a policy had not existed since the sixties and even then was intentionally misrepesented to poison courts against the Church. That Vicki would now make the same false claims is remarkable; that she acts as if she were not aware of such claims being made against

the Church ten years ago (to attempt to toll the statute of 2||limitations) is incredible. Nonetheless, in view of Vicki 3||Aznaran's knowledge of the effectiveness of such litigation tactics against the Church, it is not at all surprising that she is utilizing them on this court. I, who have dedicated my 6||life to helping others through the standard application of Scientology ethics and technology, am personally offended by her perverse testimony. I therefore take this opportunity to inform this court of the truth about Scientology ethics and justice. My testimony is the same as could be given by any of the millions of satisfied Scientologists with respect to their religion in general and its ethics and justice codes in particular.

"Fair game" was a term used in the Church for a short while in the 1960's. By the time the Aznarans first entered the Church, the term was no longer used, and the policy referring to it had been expressly cancelled. It doesn't appear in currently published Church scriptures and hasn't for years. In fact, the only time I ever hear the term is in damages cases such as this one. As used for this brief time within the Church, "fair game" had not even the slightest semblance to the wild accusations made by the Aznarans. It meant simply that an individual so labelled was not entitled to the protection of the Scientology system of justice. In this regard it is similar to the Old English concept of "outlaw" which was "one who is put out of the protection or aid of the law." (Black's Law Dictionary, Rev. Fourth Edition, pg. 1255).

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The Scientology ethics and justice system is a privilege and benefit for Scientologists. Scientologists can and do avail themselves of the Scientology ethics and justice system as it is free of charge, swift, sane, accurate and based solely on getting to the truth. One is judged by a committee of his peers whose only task is to get to the truth of disputes between Scientologists. Scientology justice committees do not punish, they only get to the truth and attempt to rectify The system is based on trust, and because Scientology is predicated on truth and honesty, no Scientologist in good standing would even think of lying in 12||such a proceeding or attempt to derail and misdirect a proceeding through false and inflammatory testimony such as one sees in civil cases in every courthouse.

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- 8. One of the fundamental discoveries of L. Ron Hubbard is that man is basically good. As an individual becomes more aware and able through the application of Scientology religious technology, he becomes more honest, ethical, and interested in 19 helping others. This is why Scientologists become the most valued members of society as they advance in Scientology. L. Ron Hubbard developed a system of ethics and justice which is based on this bedrock principle. The Scientology ethics and justice system is built on the premise that honesty and integrity are essential to happiness and survival.
 - 9. Scientologists consider this ethics and justice system a major benefit derived from membership in the Church. expel a person from Church membership and thereby withdraw the protection and availability of the Church's ethics and justice

system is the harshest penalty in the Scientology religion.

Even then, however, because Scientologists believe that man is basically good, the door is always left open for that person to return to Church membership.

- 10. The reference to a person being "fair game" was a direct reference to what individuals who could not have access to the Scientology justice system were likely to receive at the hands of the justice systems extant in society. Compared to Scientology ethics and justice procedures, lay justice proceedings are, in fact, barbaric.
- 11. Contrary to the allegations made by the Aznarans throughout their Opposition, the basic values of honesty and integrity are the bedrock upon which Scientologists build their lives and upon which any individual must so build if he is to live happily and in harmony with his fellows.
- 12. The scriptures of Scientology are replete with admonitions to its adherents to build their lives on the foundations of honesty and integrity. As Mr. Hubbard stated in a technical bulletin titled "Auditor's Rights Modified," written in 1972: "The road to truth is begun with honesty." This is a road that all Scientologists, by definition, consider that they are following.
 - 13. Mr. Hubbard's injunction to be truthful covers all

¹⁾ An "auditor" is a Scientology minister who counsels parishioners. The term is derived from a Latin term meaning one who listens.

²⁾ Due to space limitations, copies of the writings of L. Ron Hubbard referred to herein are not attached, but can be supplied to this Court upon request.

1 | aspects of an individual's and organization's activities. example, he laid down a firm rule for Church of Scientology 3||staff in official dealings: "Never use lies." ("The Missing Ingredient", [August 13, 1970]). In a policy directive entitled, "Safe Ground" (October 27, 1974), Mr. Hubbard reiterated this point: "1. NEVER SAY OR PUBLISH ANYTHING YOU CANNOT PROVE OR DOCUMENT; 2. ALWAYS DOCUMENT THE TRUTH TO OPPOSE LIES."

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14. The value of truth and honesty in one's dealing with others goes much deeper than mere pragmatism. Honest and ethical behavior enhance the well-being of an individual and a group; dishonesty and unethical acts degrade a person and an organization. In a book originally published in 1951, Mr. Hubbard explained why maintaining high ethical standards is so important, not just to Scientologists, but to everyone:

Thus, dishonest conduct is nonsurvival. . . . The keeping of one's word, when it has been sacredly pledged, is an act of survival, since one is then trusted, but only so long as one keep's one's word. To the weak, to the cowardly, to the reprehensibly irrational, dishonesty and underhanded dealings, the harming of others and the blighting of their hopes seem to be the only way of conducting life. Unethical conduct is actually the conduct of destruction and fear; lies are told because one . is afraid of the consequences should one tell the truth; thus, the liar is inevitably a coward, the coward is inevitably a liar.

L. Ron Hubbard, Science of Survival, at 142-143 (1989 Ed.).

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The subject of honesty and ethical behavior permeated Hubbard's writings throughout the years. In a 1960 issue entitled "Honest People Have Rights, Too," Mr. Hubbard stated: Individual rights were not originated to protect criminals but to bring freedom to honest men. Into this area of protection then dived those who needed "freedom" and "individual liberty" to cover their own questionable activities. Freedom is for honest people. No man who is not himself honest can be free--he is his own trap. his own deeds cannot be disclosed then he is a prisoner; he must withhold himself from his fellows and is a slave to his own conscience. Freedom must be deserved before any freedom is possible.

Freedom for Man does not mean freedom to injure Man. Freedom of speech does not mean freedom to harm by lies. To preserve that freedom one must not permit men to hide their evil intentions under the protection of that freedom. To be free a man must be honest with himself and with his fellows. If a man uses his own honesty to protest the unmasking of dishonesty, then that man is an enemy of his own freedom.

Mr. Hubbard ended this bulletin with the reminder that: "On the day when we can fully trust each other, there will be peace on Earth. Don't stand in the road of that freedom. Be free, yourself."

Id.

An entire book was compiled from Mr. Hubbard's 16.

writings dedicated to the subject of ethics, entitled

Introduction to Scientology Ethics. The book is replete with

basic truths on this subject which cannot be fully discussed in

this limited space. The following statements are

representative of the concepts which it contains:

The man who lies, the woman who cheats on her husband, the teenager who takes drugs, the politician who is involved in dishonest dealings, all are cutting their own throats.

* * *

It may come as a surprise to you, but a clean heart and clean hands are the only way to achieve happiness and survival. The criminal will never make it unless he reforms; the liar will never be happy or satisfied with himself until he begins dealing in truth.

- L. Ron Hubbard, <u>Introduction to Scientology Ethics</u>, at 29 (1989 Ed.).
- 17. What Scientologists hope to achieve through living ethical, honest lives and showing respect for their fellow man is quite simple: happiness. Albeit simple and indeed a basic desire amongst all men, few know the requisites to true happiness as well as a Scientologist.

As for ideals, as for honesty, as for one's love of one's fellow man, one cannot find good survival for one or for many where these things are absent.

* * *

A man who is known to be honest is awarded survival -- good jobs, good friends. And the man who has ideals -- no matter how thoroughly he may be persuaded to desert them,

survives well only so long as he is true to those ideals. (<u>Introduction to Scientology Ethics</u>, at 23)

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In a bulletin from 1961 entitled, "Clean Hands Make a Happy Life", Mr. Hubbard underscored the basic problem behind the lack of human happiness:

For the first time in the soggy stream that's history to the human race, its possible that happiness exists.... What has made all Man a pauper in his happiness? Transgressions against the mores of his race, his group, his family!

And as we wander on, transgressing more, agreeing to new mores and then transgressing those, we come into that sunless place, the prison of our tears and sighs and might-have-beens, unhappiness.

All Mankind lives and each man strives by codes of conduct mutually agreed. ... But now against that codes there is transgression. And so because the code was held, whatever code it was, and Man sought comfort in Man's company, he held back his deed and so entered then the bourne in which no being laughs or has a freedom in his heart. So down the curtains come across the brightness of the day and dull-faced clouds enmist all pleasant circumstances. one has evilly transgressed and may not speak of it for . fear all happiness will die.

19. With direct regard to the subject of spiritual 27||progress in the Scientology religion, also referred to as "case Hubbard wrote a bulletin in 1985 called "Honesty gain," Mr.

and Case Gain." In that Bulletin, he stated:

Thus, one can bar his own way up the Bridge3/ by dishonesty. I always feel a bit sad when I see somebody doing himself in this way. It is so pointless.

Another of his writings on this subject matter is a book entitled, The Way to Happiness. This book has been the source of a grass roots movement to improve life in the world by providing non-denominational, common sense, moral principles for this modern time. The book is divided into different precepts, with titles such as "Be Worthy of Trust," "Fulfill Your Obligations," "Do Not Steal," "Respect the Religious Beliefs of Others," "Don't Do Anything Illegal," and "Seek to Live With the Truth." A few brief excerpts will show its teachings:

Be Worthy of Trust.

Unless one can have confidence in the reliability of those about one, he, himself, is at risk. When those he counts upon let him down, his own life can become disordered and even his own survival can be put at risk. Mutual trust is the firmest building block in human relationships. Without it, the whole structure comes down.

* * *

When one gives an assurance or promise or makes a sworn intention, one must make it come true. If one says he is going to do something, he should do it. If he says he is not going to do something, he should not do it. ...

³⁾ The Bridge is the term which is used to describe the series of gradient steps of spiritual awareness which one achieves in the Scientology religion.

People who keep their word are trusted and admired.

People who do not are regarded like garbage. Those who break their word often never get another chance. A person who does not keep his word can soon find himself entangled and trapped in all manner of "guarantees" and "restrictions" and can even find himself shut off from normal relations with others. There is no more thorough self-exile from one's fellows than to fail to keep one's promises once made.

(The Way To Happiness, at 191-192; 198-200.)

The honesty of an individual is something that affects those with whom a person lives and works. As Mr. Hubbard said in a writing titled "Ethics and Executives," 3 May 1972R,

"Dishonesty, false reports, an out-ethics [i.e., unethical] personal life, should all be looked for and, by persuasion, should be corrected."

Again and again Mr. Hubbard has stressed that dishonesty in one's dealing with others is harmful not only to the other individual, but to one's self:

The ruin of another's life can wreck one's own. Society reacts — the prisons and the insane asylums are stuffed with people who harmed their fellows. But there are other penalties: whether one is caught or not, committing harmful acts against others, particularly when hidden, can cause one to suffer severe changes in his attitudes toward others and himself, all of them unhappy ones. The happiness and joy of life depart.

(The Way To Happiness, at 322 - 324.)

20. This standard is not limited to simply those with whom a person works with directly but in fact all those with whom one may come in contact in the community and within society:

A country has laws and regulations to coordinate its activities.

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One does NOT seek to get around these or avoid these or find loopholes in them. This is COMPLICATED AND DISHONEST.

It is MUCH simpler just to know and obey them.

"Regulations and Laws, Obedience To," 27 October 1973.

21. In a writing issued in 1980 entitled, "Ethics, Justice, and the Dynamics," $\frac{4}{}$ L. Ron Hubbard wrote:

Years ago I discovered and proved that man is basically good. This means that the basic personality and the basic intentions of the individual, toward himself and others are good.

When a person finds himself committing too

Ron Hubbard's most fundamental discovery was the discovery that whatever else they were doing, all life was seeking to survive. Survival is the common denominator of all The basic urge to survive manifests itself in different life. These ways have been divided into eight parts, or "dynamics". Each of these dynamics is interdependent on the Each of us is striving to survive along or through these subdivisions of the basic urge to survive: 1) the urge to survive as an individual; 2) the urge to survive through sex and the rearing of children; 3) the urge to survive through groups; 4) the urge to survive as mankind, 5) the urge to survive through living things, <u>i.e.</u>, animals or plants; 6) the urge to survive through the physical universe (matter, energy, space and time [mest -- the physical universe]); 7) the urge to survive through the spiritual universe; and 8) the urge to survive through God, or the infinite.

many harmful acts against the dynamics, he becomes his own executioner. This gives us the proof that man is basically good. When he finds himself committing too many evils, then, causatively, unconsciously or unwittingly, man puts ethics in on himself by destroying himself; and he does himself in without assistance from anybody else.

This is why the criminal leaves clues on the scene, why people develop strange incapacitating illnesses and why they cause themselves accidents and even decide to have an accident. When they violate their own ethics, they begin to decay. They do this all on their own, without anybody else doing anything.

- 22. The teachings of Mr. Hubbard are unequivocal on this point. The commission of dishonesties, of harmful acts against another is the road to personal destruction, to the loss of awareness, the loss of abilities, to personal unhappiness and the destruction of positive interpersonal relationships. Only the litigants who, due to their own harmful acts, have already travelled down this route or those who, through misinformation or ignorance know no better, would advance or believe that the scriptures of the Church could support the commission of harmful acts against one's fellow man.
- 23. In fact, the precise opposite is true. Scientology scriptures detail how it is that harmful acts against one's fellows bring about the loss of integrity and decrease one's ability to handle life successfully. The mechanism at work here was presented by Mr. Hubbard in 1968:

There was an important discovery made in 1952

. . . which did not get included in "Book One," Dianetics: The Modern Science of Mental Health.

This was the "overt-motivator sequence. .."

AN OVERT, in Dianetics and Scientology, is an aggressive or destructive ACT by the individual against one or another of the eight dynamics (self, family, group, mankind, animals or plants, mest, life or the infinite).

A MOTIVATOR is an aggressive or destructive act received by the person or one of the dynamics.

The viewpoint from which the act is viewed resolves whether the act is an overt or a motivator.

The reason it is called a "motivator" is because it tends to prompt that one pays it back -- it "motivates" a new overt.

When one has done something bad to someone or something, one tends to believe it must have been "motivated."

Bulletin of 20 May 1968, "Overt-Motivator Sequence."

Thus, an individual who commits harmful acts against himself, another, the social order and so forth, grows invariably at odds with the person or institution whom he has attacked.

24. Mr. Hubbard explained this phenomena further in a lecture given to Scientology ministerial students:

[M]an is basically good, despite his reactive bank. 5/ The reactive bank is only composed to

⁵⁾ The "bank" is a slang term referring to a person's (footnote continued)

make a man commit overts, which is against his better nature. If he commits these overts, therefore, he'll trap himself because he won't go on communicating, having committed them. So it's the perfect trap. You do not want to talk to people you have wronged. ... They commit an overt act, don't you see, and then they will try to withhold and sever the communication line for fear that they will commit another overt act. That actually is the fundamental think of man.

Tape Lecture of July 2, 1964, "O/W Modernized and Reviewed."

25. The path one trods when he commits harmful acts is the road to oblivion. It is the descent not only into despair and destroyed relationships; it is also the way to personal degradation and criminality. "A criminal is one who is motivated by evil intentions and who has committed so many harmful overt acts that he considers such activities ordinary." (Bulletin of 15 September 1981, "The Criminal Mind,") The desperate straits to which the criminal has descended have been clearly described by Mr. Hubbard:

It is a mind like any other mind but it has gone wrong. It is motivated by evil intentions which, even if idiotic, are greater than the possessor's ability to reason. The criminal, even

⁽footnote continued)

[&]quot;reactive bank", that portion of a person's mind wherein all painful experience is stored below a person's awareness. The reactive mind is a stimulus-response unconscious mind which can exercise control over the individual without that person's awareness.

when he seems most clever, is really very, very The evil intentions get dramatized by senseless overt acts which are then withheld, and the final result is a person who is more dead than alive and who faces a future so agonizing that any person would shudder at it. The criminal, in fact, has forfeited his life and any meaning to it even when he remains "uncaught" and "unpunished," for in the long run, he has caught himself and punishes himself for all eternity. No common judge can give a sentence as stiff as that. They know down deep that this is true and that is why they scream with such ferocity that men have no souls. confront the smallest part of what awaits them. consists of, you can also understand how ghastly must be the feelings or lack of them with which the criminal has to live within himself and for all his days forever. He is more to be pitied than punished.... THE CRIMINAL, NO MATTER WHAT HARM HE IS DOING TO

THE CRIMINAL, NO MATTER WHAT HARM HE IS DOING TO OTHERS, IS ALSO SEEKING TO DESTROY HIMSELF. HE IS IN PROTEST AGAINST HIS OWN SURVIVAL.

23 Id.

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26. The individual, having descended away from personal honesty and integrity, down the dwindling spiral of the overt-motivator sequence, to the depths of criminality described by Mr. Hubbard in the attached bulletin arrives at a point, where they are totally consumed by their criminality. A

person at this point sees all life as having the same sordid motives he does. Of such an individual, Mr. Hubbard wrote:

THE CRIMINAL ACCUSES OTHERS OF THINGS WHICH HE HIMSELF IS DOING.

* * *

THE CRIMINAL MIND RELENTLESSLY SEEKS TO DESTROY ANYONE IT IMAGINES MIGHT EXPOSE IT.

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THE CRIMINAL ONLY SEES OTHERS AS HE HIMSELF IS.

Id.

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27. The entire thrust of the training, auditing, ethics and justice technologies of the Scientology religion is to improve the spiritual well-being of the individual and to make him more able so that he is able to assist others to attain greater spiritual awareness. Of all of the religions in the world, Scientology is unique in the degree it places emphasis upon the value of self-determined right conduct, honesty and personal integrity. The scriptures, however, do far more than simply warn of the consequences of evil ways. They also set forth techniques for the eradication of the harmful effects of past transgressions and the rehabilitation of an individual's personal integrity and abilities. Confessional counselling sessions are standardly provided to Scientologists in order to help them unburden themselves of past transgressions. such counselling the individual Scientologist is made more able and is brought to levels of increased affinity and responsibility.

28. The ethics and justice system of Scientology, then,

1 has honesty and integrity as its underpinnings. As a subject, 2| ethics consists simply of the actions taken by an individual on 3||himself to improve his survival. Through Scientology ethics a 4 person is taught not a rote series of do's and don't's, but 5||tools which he can use to make ethical and moral choices and decisions.

In a policy letter of 12 July 1980 later revised on 5 8 November 1982, entitled "The Basics of Ethics," Mr. Hubbard wrote of the unfortunate state a person finds himself in when he is unable to ethically deal with his daily life:

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The individual who lacks any ethics technology is unable to put in ethics on himself and restrains himself from contrasurvival actions, so he caves himself in. And the individual is not going to come alive unless he gets hold of the basic tech of ethics and applies it to himself and others.

The basic ethics technology discovered by L. Hubbard is found in the ethics conditions and their formulas. These are described in the book, Introduction to Scientology Ethics.

The basic tools used to get and keep ethics in are the ethics conditions and their formulas.

An organization or its parts or an individual passes through various states of existence. These, if not handled properly, bring about shrinkage and misery and worry and death. If handled properly they bring about stability, expansion, influence and wellbeing.

The different conditions formulas make up a SCALE which shows the condition or state, which is to say the degree of success or survival of an individual ...

(<u>Introduction to Scientology Ethics</u>, at 37-38.)

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31. The ethics conditions are: Confusion, Treason, Enemy, Doubt, Liability, Non-Existence, Danger, Emergency, Normal Operation, Affluence, Power, Power Change. Each condition carries with it a series of steps to follow, called formulas, which result in improvement up the rising scale of conditions. The application of the specific formulas for each condition are 13 a basic tool which Scientologists use to live happier, more successful lives. Each condition describes a level of survival in which an individual, business or other activity can be located at any given moment. Mr. Hubbard has laid out an 17 exact formula, or set of steps, for each condition, which, if 18 correctly followed, will result in the attainment of a higher condition. For example, both a new marriage and a new business start out in a condition of "non-existence" and to succeed, 21 must follow the formula steps of getting in communication with one's partner or potential customers, finding out what is needed from that person, and providing that. Whether one is doing well, poorly, or just getting by, there is a condition formula which applies. (For a full description of the various ethics conditions and their individual formulas, see Introduction to Scientology Ethics, pp. 56-104.) Through the use of the correct formula, one is able to improve how he or

she is doing.

32. Condition formulas are used to handle all types of situations, favorable and unfavorable, alike. For example, if one made a bad error on one's job, he could use an ethics condition, such as the Liability formula, as a guide to getting back on top of the situation — perhaps saving his job in the process. And if one were doing very well in some area in life, the Affluence formula would provide steps to help isolate the important points of one's success and reinforce those.

- 33. Scientology also has an ecclesiastical justice system. Justice is applied in Scientology when an individual fails to apply the tools of ethics to correct his own unethical activities, and is causing problems for others.
- 34. The Scientology justice system has as its basic premise that justice is to be used only so long as it is necessary to restore the individual to self-determined ethical conduct. It does not have punishment as a goal; rather, the purpose is to rehabilitate the individual's ability to use and apply the ethics technology. For this reason, the justice system is a gradient one, consisting of a whole series of actions which might be taken in an appropriate case to ensure that ethical conduct is restored.
- 35. These gradient steps are specified in a writing of Mr. Hubbard dated 29 April 1965, entitled "Ethics Review." The various tools are laid out in a progression of lightest to most severe, ranging from actions such as "noticing something non-optimum and commenting on it to the person," to the severest discipline in the Scientology religion: "expulsion

1 from Scientology." None of the gradients carries with it 2|physical punishment of any kind.

L. Ron Hubbard has stressed that the lightest forms 4 of these levels are to be used first, and only increased as 5 necessary to help the person:

Scientology Ethics are so powerful in effect

... that a little goes a very long ways.

Try to use the lightest form first.

9 Id.

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- The Scientology justice system also provides 11 ecclesiastical fact-finding bodies and formal justice actions 12 which help determine the appropriate way to deal with a 13 Scientologist who has been causing difficulty for other 14 Scientologists. The first of these is an "ethics hearing." 15 Such a hearing consists of a meeting of the accused with a 16 "hearing officer." This is a fact-finding body; the accused is 17 presented with the written accusations, is given the 18 opportunity to question the people who have made the 19 accusations, if necessary, and is given the opportunity to 20 explain fully his own side of the story. The hearing officer 21 then makes a recommendation as to how the situation should be 22 handled.
- If it is established by verified evidence in an 38. 24 ethics hearing that the person has been involved in some 25 | violations of Scientology codes or procedures, a "Court of 26 Ethics" may be convened. The purpose of the Court is to 27 determine what discipline should be imposed for the 28 wrong-doing. For example, if a staff member is continually

late for or absent from his assigned duties, he might be called before such a court and might be assigned a short, special project to clean the slate for the problems he has caused. Such an action would bring home to him that he is expected to appear for work on time and should regulate his actions accordingly. (See, policy letter of 26 May 65, Issue III, "Courts of Ethics,").

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- The most serious type of justice action is a Committee of Evidence. This is "a fact-finding body composed of impartial persons properly convened by a convening authority which hears evidence from persons it calls before it, arrives at a finding and makes a full report and recommendation to its convening authority for his or her action." (Policy letter of 27 March 1965, "The Justice of Scientology -- its Use and Purpose.) The individual or individuals who are the subject of the Committee of Evidence are present at all times when evidence is presented and are given the opportunity to examine all witnesses. Once the Committee has determined the facts of the matter, it makes its recommendation to the "convening authority" who then reviews all the evidence and recommendations and accepts, or modifies the Committee's findings and recommendations. The protection which committees of evidence provide for Scientologists from possible arbitrary sanctions or sanctions arising out of momentary upset is Thus, for example, staff members may not be substantial. suspended, demoted, or improperly transferred to another job without a committee of evidence. (<u>Id</u>.)
 - 40. Scientologists can and frequently do avail themselves

of the Scientology justice system as it is free, swift, sane, accurate and based solely on getting to the truth.

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41. The value of a committee of evidence was described by Mr. Hubbard in 1965 in a policy letter entitled "The Justice of Scientology -- Its Use and Purpose; Being a Scientologist":

Committees of Evidence work. I recall one Tech[nical] Director [Church executive in charge of administering the delivery of Church services according to the scriptures or "Tech"] accused of tampering with a student. I was told he was about to be disciplined and sacked. I stopped that action and had a Committee of Evidence convened. Accurate testimony revealed the story false and the Tech Director innocent. Without that committee he would have been ruined. I know of other instances where a committee found the facts completely contrary to Some are guilty, most are innocent. thereby we have justice and our necks aren't out. If a person is to keep the law, he or she must know what the law is. And must be protected from viciousness and caprice in the name of law. If a person doesn't keep the law, knowing well what it is, he or she hurts all of us and should be handled. Our justice really rehabilitates in the long run. ·It only disciplines those who are hurting others and gives them a way to change so they can eventually win too -- but not by hurting us.

42. As set forth above, the ultimate penalty under the

justice codes of the Church of Scientology is expulsion from 2||the Church. Mr. Hubbard wrote in a 1965 policy letter that to withdraw the protection and availability of the Scientology 4||justice system is the harshest penalty in that system; and that 5||is the effect of expulsion. Yet, even a person who has been declared to be a suppressive and has been expelled from the Church, however, is still afforded an opportunity to redeem 8||himself and to return to good standing. To do so, the person g||must follow a simple, five step, procedure: (A) "cease all attacks and suppressions so he, she or they can get a case gain"; (B) make "a public announcement to the effect that they realize their actions were ignorant and unfounded"; (B-1) paying off all debts owed to any Scientology organizations; (B-2) complete an approved amends project; (C) training from the lowest level; (D) providing copies of the above steps to the ethics officer who is dealing with him; and (E) providing a similar copy to the International Justice Chief of the Church. "Suppressive Acts, Suppression of Scientology and Scientologists", 8 January 1981.

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The writings of L. Ron Hubbard are very clear on the point that even an expelled person may turn around and re-enter the Church. In "Expansion Theory of Policy", 4 December 1966 regarding expulsion from the Church, he wrote:

Further, one must leave at least a crack in the door and never close it with a crash on anyone because a demand factor may still develop there. ... One must always leave a crack open. The suppressive can recant and apologize.

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Finally, because of their adherence to a strict standard of ethics, Scientologists have a great respect for the law. As Mr. Hubbard wrote in The Way To Happiness:

"Adhere to the principal that all men are equal under law: a principal which, in its own time and place -- the tyrannical days of aristocracy -- was one of the greatest social advances in human history and should not be lost sight of.

"See the children and people become informed of what is 'legal and 'illegal' and make it known, if by as little as a frown, that you do not approve of 'illegal acts.' "Those who commit them, even when they 'get away with them, ' are yet weakened before the might of the state." (Id., pp. 100 - 101)

The selections presented above are but a small portion of the hundreds of pages which Mr. Hubbard has written on the subject of Ethics and Justice, all of which is in full use and application in Churches of Scientology around the 19 globe. As the cited materials make clear, the undeviating emphasis throughout this vast literature is that one must maintain a very high standard of ethics, that one must treat one's fellow man with dignity and respect and that one must obey the laws and act in harmony with the codes of the society. Moreover, the Scientology scriptures themselves are comprised of over 50 million words which L. Ron Hubbard wrote on the subject of the religion of Scientology. And throughout all of this material, whether dealing with techniques of counselling or with the ultimate abilities and nature of the

spiritual being that is the individual, Mr. Hubbard has written from the premise that truth, integrity, honesty and fair dealing with one's fellows, with groups and races and with each of the dynamics, is the road to survival. This is a standard which never waivers in the Church of Scientology. And this is the reason that Scientologists are the most ethical people you are likely to ever meet.

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Seen in this context the Aznarans' assertions are patently absurd and unbelievable. The Aznarans attempted to take one line from a 1965 issue and to assert that this cancelled issue, which they deliberately misinterpreted to suit their own purposes, carries more weight than the thousands upon thousands of pages by Mr. Hubbard which directly and unequivocably state the exact opposite of the Aznarans' interpretation. The Anzarans knew that the "fair game" issue was cancelled by Mr. Hubbard in 1968, before they were first exposed to the religion of Scientology. When Mr. learned that the line was open to misinterpretation by those not versed in Church scripture, he immediately cancelled it for The Church has always been ready to accept a that reason. reformed suppressive person back into the Church. Mr. Hubbard's writings are clear on this. The expelled individual is simply denied recourse to the Church's internal justice procedures for the resolution of his disputes with Scientologists in good standing. The door is always "left open a crack", as anyone is capable of reform. It has always been and will remain the intention of the Church staff to bring increased well-being and spiritual awareness to all

1 individuals on this planet. That is what the religion and the 2 Church of Scientology are about.

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The Aznarans stand as apostates who have found a single mistranslated line that never made it into an edition of Apostates who, on the basis of this non-existent piece of scripture, are attempting to allege that all of Christianity is built upon a false premise and that all the teachings of Jesus and his disciples are mere coverings for the one line of alleged "scripture" which they feel "tells it all". The Court would surely recognize the absurdity of this position and would never permit the apostates to claim that their refusal to abide by a written agreement was warranted by their "state of mind". Yet this is an exact parallel to the situation which has occurred so far in this case. Moreover, the Aznarans well know that it is a fundamental tenet of the Church that Church policy must be in writing to be valid ("in Scientology we say, 'if it isn't written, it isn't true.'"["The Hidden Data Line, 16 April 1965] The term "fair game" is not in the writings of the Church and is not Church policy. All valid and enforceable Church policy is published and available to parishioners. The "fair game" policy has not been published since its cancellation prior to the Aznarans joining the Church and is not published in any current volumes of Scientology writings, and indeed was never published in any edition of any of the Scientology policy volumes. It is not something that is open to interpretation by the Aznarans or anyone else. It does not exist.

48. Now the Court has the heretofore missing data about

1||the nature and weight of Scientology scriptures. Now the 2||shallow, self-motivated nature of the Aznarans' allegations 3 regarding coercion are clear. And further, now it is clear that the Aznarans have forced the Court into the role of interpreter of the true meaning of Scientology scriptures, a role which is anathema to the First Amendment. Church scriptures are straightforward on this matter: Church members 8||and Church organizations are expected to (and do) maintain the 9 highest standards of ethical behavior in their dealings with ||their fellow men and with the institutions of our society.

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Mr. Hubbard cared deeply for mankind and dedicated 12 his life and his work to doing what he could to make life 13 better -- and happier -- for all mankind. It is this care and dedication which is carried on by Scientologists the world over, and their own happiness and that of those around them reflect just that. Mr. Hubbard expressed the purpose underlying his work in an article entitled, The Aims of Scientology:

> A civilization without insanity, without criminals and without war, where the able can prosper and honest beings can have rights, and where man is free to rise to greater heights, are the aims of Scientology.

50. The truth regarding the Church of Scientology is These are the true facts about the ethics and justice systems of the Church and the values which the writings of L. Ron Hubbard advance. These are tools of personal salvation which litigants against the Church violently malign and impugn. 1 From the blackened depths of their criminal minds, they seek to destroy this hope for mankind through false pictures and wild allegations which merely reflect their own sordid intentions and actions. Yet, as this small sampling of the scriptures show, the truth is very different. The religion of Scientology places a premium upon ethical behavior; and Scientologists, as a group, are the most ethical people in the world today. In fact, the ethical standards which they maintain are far and above those of any other group.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed in the State of California, the 26 day of August 1991.

Mark C. Rathbun

DECLARATION OF SAM BROWN

2 I, Sam Brown, hereby declare:

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I. I am over the age of eighteen. I am a licensed private investigator in northern California. I run an investigation firm called Sam Brown and Associates. I have personal knowledge of the facts set forth below, except as stated to be on information and belief, and as to those facts, I believe them to be true. If called upon to do so, I could and would competently testify thereto.

I ran a surveillance outside the law offices of
Ford Greene at 711 Sir Francis Drake Boulevard, San
Anselmo, California during the period from August 15
through August 21, 1991. I have been informed and
believe that Greene is the attorney for plaintiffs in the
case of Aznaran v. Church of Scientology of California,
et al., Case No. CV 88-1786 JMI (Ex) in Los Angeles
Federal court.

- 3. During the course of this surveillance, a white male having long brown hair tied back in a pony tail, was observed entering and leaving the Greene law offices each day from the 15th through the 21st. This man spent most of the day at the offices. He was also observed bringing in boxes from Kinko's copy center.
- 4. This individual was videotaped entering and leaving the building and standing in front of it on

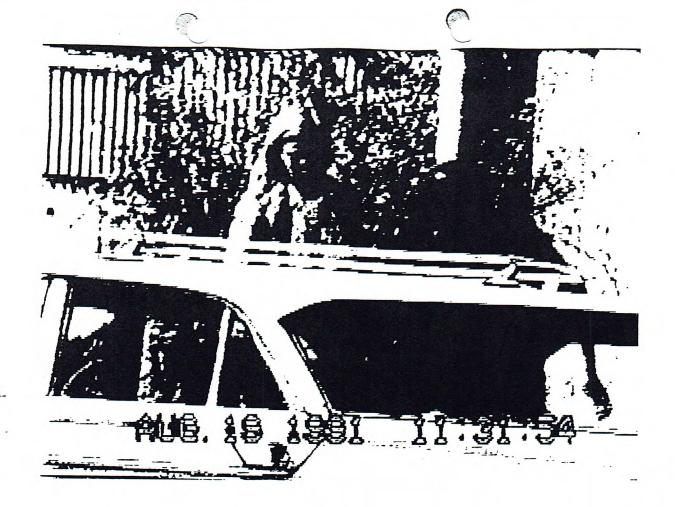
1	several different days. Some portions of the video have
2	been printed as still photographs and are attached hereto
3	as exhibit A.
4	5. I was informed by the law firm which represents
5	some of the defendants in the Aznaran case that the man
6	in these photographs is an individual known as Gerald
7	Armstrong.
8	I declare under penalty of perjury that the
9	foregoing is true and correct.
0	Everyted at Can Erangiago California the 26th day

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of August 1991.









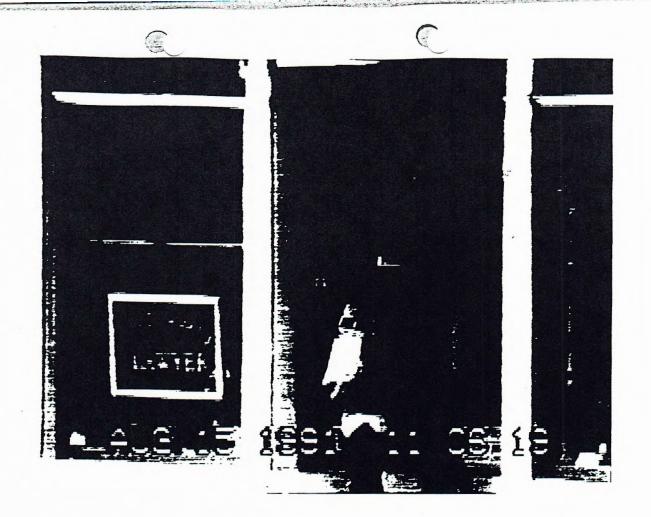






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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

MICHAEL J. FLYNN,

Plaintiff,

v.

LAFAYETTE RONALD HUBBARD, a/k/a L. RON HUBBARD,

Defendant.

CA No. 83-2642-MC

SUPPLEMENTAL

DECLARATION OF

EARLE C. COOLEY

- I, EARLE C. COOLEY, hereby state under the pains and penalties of perjury that I have personal knowledge of the following:
- 1. I am an attorney, licensed to practice in the Commonwealth of Massachusetts and specially admitted to practice law in the State of Oregon. I have been an active trial attorney for 28 years.
- 2. I am co-counsel for the Church of Scientology of California in a trial in the Circuit Court of the State of Oregon, County of Multnomah (Julie Christofferson Church of Scientology, Mission of Davis, et

al. -- "Christofferson").

- 3. Gerald Armstrong has been a witness for the plaintiff in the Christofferson case. Thus far, he has testified on direct examination for two days and on cross examination for over five days. I was present for the entire testimony of Mr. Armstrong and personally cross examined Mr. Armstrong on the witness stand. Consequently, I am extremely familiar with his testimony.
- This supplemental declaration has been necessitated by the fact that two additional video taped conversations between Gerald Armstrong and one of the "Loyalists" have now been entered into evidence in Christofferson. These are conversations which took place on 17 November 1984 and on 30 November 1984 between Gerald Armstrong and a Church staff member named Mike Rinder, who was posing as a disaffected staff member of a cell known as the "Loyalists" who were working within the Church to covertly take over current management. These two conversations were video taped as part of a police authorized investigation by an attorney and a licensed private investigator who were working for the Church of Scientology of Toronto. I had not viewed these tape recordings prior to their being screened in the courtroom on 15 April 1985.

The purpose of this supplemental declaration is to provide this court a complete understanding of the full nature of Gerald Armstrong's conspiracy to covertly take over the management of the Church of Scientology and Michael Flynn's involvement therewith, as is revealed in the video tape recordings of Gerald Armstrong's conversations with the "Loyalists". Transcripts of trial proceedings in Christofferson are currently not available for dissemination pursuant to an order of the Court regarding witness sequestration. Transcripts of Armstrong's testimony will be provided to this court at the conclusion of the Christofferson trial.

- 5. The video tape recordings of the 17th & 30th of November 1984 reveal the following ["GA" is Gerald Armstrong; "M" is Mike Rinder]:
- A. Armstrong demanded affidavits from the "Loyalists" regarding supposedly criminal activity on the part of current Church management, to be used to get a judge to grant a Temporary Restraining Order freezing all of the Church's assets. When the "Loyalists" complained to Armstrong that they could not find any evidence of criminal activity, Armstrong asserted that the "Loyalists" should simply allege that such activity took place, then say that the Church destroyed the documents which would prove the allegations and simply back out of the suit if the

"Loyalists" were not able to obtain immediate relief.

"GA: I want some affidavits so they can be -so we know what the fuck is this, what are the
allegations? You know, 'cause I'm -- I mean,
I'm kind of getting from you, well -- well,
shit, the organization is fine, it's not doing
anything illegal. And, I'm sitting here on the
outside, knowing that they want me fucking dead.
And that I was threatened by Eugene Ingram,
that he is going to put a bullet between my
fucking eyes*. I know that they are up to their
eyebrows in it. They must have been paid. How
about this Flynn thing? How much did they pay --

M: Yeah, but do we have to, do we have to find someone that has personal knowledge of that in order to get an affidavit of those things?

GA: How much was paid to Ingram?

M: I don't know that data yet.

GA: Who paid?

^{*}On cross examination in Christofferson, Armstrong admitted that this alleged threat from Ingram came as a result of Armstrong's having run a covert intelligence operation against Eugene Ingram, whereby Armstrong had called Eugene Ingram's answering service and surreptitiously obtained from them a list of everyone who had called Ingram that day.

M: I presume the attorneys paid him.

GA: Yeah, but it comes from your money.

M: Right, so then it would be how much is paid to the attorney, right? I mean that's what we would want to know.

GA: Who gets an accounting of what -- you know, you're Board members. You're fucking Board members! The guys on the Board and you can't find out? Those are the people who should be signing it -- who should be doing it --

M: -- Okay. I'm not asking about whether they can find out, but whether they need to, in order to be able to do this. Do you see what I'm saying? It's like --

GA: They can allege it. They can allege it. They don't even have -- they can allege it.

M: So, they don't have to -- like -- they don't have to have the document sitting in front of them, and then --

GA: Fucking say the organization destroys the documents."

[17 November 1984 conversation]

"M: The point, the point I'm trying to get across is that that's not criminal. That's the -- that's the civil complaint in there and that would have to be proven.

GA: Show me the line you're talking about.

M: Well, it's over here.

GA: Where are the -- We don't have to prove a goddamn thing. We don't have to prove shit; we just have to allege it."

[30 November 1984 conversation]

"GA: Let me talk to your attorney. I want to see whether or not, number one: the guy understands, and number two: if it's only a two month deal anyway, you know, he doesn't have to dick around for years and go to trial on it and if he does, you guys just back out -- down to whoever signs it backs out and says, 'Well, I signed what I signed, you know. Sorry, you guys deluged us with paper. Too bad, you know, I'm not leaving the organization,' or, 'I am leaving the organization,' or whatever they decide.

M: You mean kind of quit at that point? Like if it couldn't -- if it wasn't going the way we

. wanted to just pack it in? GA: Why not..."

[30 November 1984 conversation]

"GA: Well, all you have to allege is that, number one: so many -- you know -- how much was spent by the organization; two: at the orders of these people.

M: But alleging things -- but alleging things, that's fine. That's going to take the whole trial -- just like -- well -- you know. I'm talking about the concern over the preliminary injunction. Alleging things is fine and alleging things will work in certain cases --

GA: All you have to do to have them act immediately -- that's all you have to do.

M: What is?

GA: Is to say -- that's all that needs to be said.

M: Yeah, but a hearing, then a hearing for the preliminary injunction and it's like brrrrrt!

GA: Yeah, but -- you know -- you got a lot of things going for you. If you follow on the tail of these people being indicted at the top

of the organization, and the fact that all -
M: We never know when that's going to happen.

That keeps like being, today, tomorrow -- you know.

GA: Hold on, hold on. Listen, we're either gonna go ahead or we're not."

[30 November 1984 conversation]

B. Armstrong testified in Christofferson that he never proposed or participated in any covert operations against the Church of Scientology. The video tapes show that Armstrong proposed a covert operation to get one of his "Loyalists" into a position of authority within the Church.

"GA: I do make it, you know, my purpose to create as much shit as possible, you know, hence I have --

M: Shit for the organization?

GA: Yeah."

[17 November 1984 conversation]

"GA: In fact, you know, I'm in a more vulnerable position 'cause I can be -- you know, I'm so visible. What if I dropped out of sight? M: Well, we'd lose you.

GA: Not necessarily.

M: You mean, we could set it up so that you just dropped out of sight? ...

GA: Exactly. You know, it could be real beneficial. Maybe it can draw the organization into something."

[30 November 1984 conversation]

"M: So, what if you dropped out of sight? I didn't totally follow the -- the progression there. What --

GA: I mean --

M: What, what would the advantage be?

GA: It could possibly be a great deal of advantage. That I -- I don't know --

M: I'm not -- I'm not following that. I'm not
- you mean we can maintain a comm line with you

even though you were not as visible to

everybody else in the organization?

GA: When someone drops out, it really excites people. You know what I mean?

M: Like disappear. Where the fuck did

Armstrong go? What the hell's he doing now?

And --

GA: Exactly. If that were to happen, then --

M: But, don't you think that would just attract more attention to you and make it more difficult for us?

GA: I don't -- I don't see why necessarily."

[30 November 1984 conversation]

"M: And you feel like it would be best for you to drop out of sight in order to pull that sort of stuff off?

GA: No, not necessarily. I just see that, I know that that excites people in the organization when they can't find somebody.

M: Why do you want to excite them -- what?

I'm a little lost on that as to why we would want to excite them about you. I mean if you're our comm line --

GA: You don't have anyone else to -- you don't have anyone else whose life you're potentially in control of out here, in a position such as myself.

· M: No.

GA: Someone who -- someone who could excite them. I mean, I have excited them, right?

M: Right.

GA: There's been times when it was get Armstrong week, right?

M: Sure.

GA: The same thing could happen again. And maybe this time when it happens, they can be set up. And maybe you can get what you need."

[30 November 1984 conversation]

"GA: I don't have this thing about life and death that I used to have. In fact, I would rather welcome a bullet. In a sense, it puts me in a rather powerful position -- not that I'm looking for it and that I would ever contemplate doing it myself; but, ah, I don't care. And if you guys can use the fact that I don't care and the fact that I write and the fact that I've disappeared and -- uh -- other facts which you can use. I mean, I envisioned it at the outset that potentially you guys could -- uh -- develop an intelligence apparatus which the organization does not have currently, simply by scooping the

PI's. If you had a lot, if you had some intelligence on Armstrong -- you know -- you could get a feather in your cap. And possibly move up in that way to the point where you're let in on what the fuck's going on. Or someone -- You know what I mean. If suddenly -- uh -you're the only guy that has, you know -- Let's say someone in the organization had the sense, the sense to retain a mole somewhere. And let's say that someone -- we could set it up that someone got close to me. Then you've got your intelligence network. And then back the PI's off because you don't want them fucking it up. Then you're getting funding to get them intelligence that you don't give a fuck if they got or not, but they get real excited about it. I mean the organization -- the people at the top get excited about little, wow, you know, this has happened, or that has happened. Then they start buzzing about it, right?

M: Yeah.

GA: Well, you should give them something to buzz about. I don't know the form of it because it's only me. I don't know your, your capabilities, or who you've got on the outside,

or -- you know -- the, the communication lines by which it could happen. We could set the whole goddamn thing up so that, so that you've got someone from the organization in the same apartment complex that I live in -- that I moved to. You know what I mean? And -- and possibly in that way you can -- uh -- have enough information so that it makes sense that you're contacting the people to talk about it.

M: Right.

GA: And becoming part of the top simply because you're, you're the guy whose got it. And they're going to depend on you. Following me?"

[30 November 1984 conversation]

C. Armstrong has testified that L. Ron Hubbard controls the operation of the Church of Scientology. The following two excerpts from these video tapes clearly show that Armstrong has no idea who manages the Church of Scientology**.

^{**} In Gerald Armstrong's Declaration dated 12
August 1983 and filed in this case on 20 October 1983 in
support of Plaintiff's Memorandum in Opposition to Mary Sue
Hubbard's Motion for Leave to Intervene, Armstrong stated
under the pains and penalties of perjury that L. Ron Hubbard
was in control of the Church of Scientology at least through
March of 1980 and implied that L. Ron Hubbard's control
extended into the present. Armstrong expanded this
[footnote continued next page]

"GA: Who runs the organization right now?

M: Which organization?

GA: All of it. Who runs it?

M: Well, it gets run through CMO Int [Commodore's Messenger Organization International].

GA: And who, who are those people?

M: Well, they -- you know, probably the same guys as when you were around.

GA: A lot of them are gone."

[17 November 1984 conversation]

"GA: Who runs the organization, who's in control? That's the kind of stuff we've got to have -- the Board members -- how does the transition of the Board take place? If you

.....

[[]continued] statement in his deposition of 8 February 1985 in the case CHURCH OF SCIENTOLOGY OF CALIFORNIA V. MICHAEL J. FLYNN, United States District Court, Central District of California No. 83-5052R, where he testified that L. Ron Hubbard was in control of the Church of Scientology at that time. Armstrong testified in that deposition on page 35: "Well, you know whoever -- again, you have to understand that it all comes down to L. Ron Hubbard. The whole thing is operated and run by L. Ron Hubbard." A further contradiction to the above is Armstrong's sworn testimony in Christofferson that, in Armstrong's opinion, L. Ron Hubbard could have been dead in 1983.

don't know that -- if you guys are in positions
in the organization where nothing is known." [sic]
[30 November 1984 conversation]

D. The video tape recordings clearly show the level to which the plaintiff in this case, Michael Flynn, was involved in Armstrong's scheme to covertly wrest control of the Church of Scientology from its lawful managers.

"GA: There's no one around aside from Michael Flynn who has an understanding of this whole fucking thing like I do and that's a fact.

M: OK. I mean, is Michael Flynn willing to help us on this?

GA: Well, what the fuck do you think? We talk every day about it. But that's not for you to report around.

M: No. OK. OK.

GA: Because I have no intention of hurting Michael Flynn.

M: Right.

GA: But, I'm telling you, he's behind it 100%.
Absolutely 100%."

[30 November 1984 conversation]

"GA: OK, if there's an attorney and he has questions, legal questions, to bat around, he should call Mike [Flynn]. The only problem with him calling Mike is, Mike's not going to know who the fuck he is. Are you following me?

M: Yeah.

GA: So, I have to know who he is in order to make an introduction."

[30 November 1984 conversation]

"GA: Let me talk to the attorney. You can call me in for just goddamned information.

M: Okay.

GA: From then, I want to talk to him and I want to put him in touch with Mike Flynn because he's gotta get the legal. You know, I deal with this thing on a couple levels. There's the minutiae, which we're talking about right now. The little details.

M: Right.

GA: But then there are the big broad goddamned legal concepts, which are important for an understanding of the whole thing and the way it can resolve. There's a lot of the minutiae

which I don't know about. But, the ultimate legal concepts I grasp pretty quick.

M: OK. And Flynn could, could definitely --

GA: Flynn is, is a fucking good attorney. And he knows it. And he can help the guy.

M: Could he even -- like -- well --

GA: Provide affidavits?

M: Yeah, well you already said that.

GA: Certainly provide one on the -- on what's the situation with him."

[30 November 1984 conversation]

E. Armstrong stated that he would commit perjury to avoid revealing the full extent his criminal conspiracy.

"GA: By the way, no one will ever get any names, any communications, any times, any dates or anything out of me. That's just the way it is.

I'll go to prison before I ever talk, OK? So you have to know that, because they're wanting to depose me every couple of months. I'm simply saying no. Anyone I talked to, that's -- that has nothing whatsoever to do with this lawsuit. The causes of action in my lawsuit

began in 1969 when I was enticed into the Sea
Organization and it ended in 1981, or they -actually they continue on because you guys have
continued to harass me. But you --

M: Not us, hey!

GA: No. I'm telling you what I would tell them in deposition, but they don't get anything else, go ahead.

M: OK. So that -- that's fine -- we have an agreement on that point.

GA: Right. And you guys also have to have your agreements worked out between yourselves too -- like -- I don't know who knows I'm involved, but I'll deny it!"

[30 November 1984 conversation]

6. The financial "pot of gold" sought by Armstrong and Flynn was the settlement of all of Flynn's outstanding cases against L. Ron Hubbard and various Churches of Scientology. Armstrong stated in the 30 November 1984 video tape recorded conversation:

"GA: You guys are assaulted from every quarter with lawsuits and they can all be bought off, they could be bought off for, you know, five

cents on the dollar."

Attached as Exhibit A is a partial list of state and federal cases which Michael Flynn has filed as counsel of record, as of counsel, or as coordinating counsel. The total recovery in damages sought by Flynn in his attack on L. Ron Hubbard and Scientology, even in this partial list, is more than \$1 Billion. At five cents on the dollar, that comes to \$50 Million as the figure for which Michael Flynn would settle his Scientology litigation, according to his spokesman Gerald Armstrong. This, of course, would yield Michael Flynn somewhere between \$16 Million and \$25 Million, depending on the percentage contingency fee set in his agreements with his clients.

Signed under the pains and penalties of perjury, this 17% day of April, 1985.

EARLE C. COOLEY